

The Insolvency Act 1986

**Administrator's progress report**

Pursuant to Rule 2.38 of the Insolvency (Scotland) Rules 1986

Name of Company

John M Henderson &amp; Co (Holdings) Limited

Company number

SC080607

(a) Insert full  
name(s) and  
address(es) of  
administrators

~~I/We~~ (a) Geoffrey Isaac Jacobs  
KPMG LLP  
191 West George Street  
Glasgow  
G2 2LJ

Blair Carnegie Nimmo  
KPMG LLP  
191 West George Street  
Glasgow  
G2 2LJ

Joint Administrators of the above company attach a progress report for the period

from

to

(b) Insert date(s)

(b) 24 April 2015

(b) 23 October 2015

Signed



Joint Administrator

Dated

3 December 2015

**Contact Details:**

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form.

The contact information that you give will be visible to searchers of the public record

Geoffrey Isaac Jacobs  
KPMG LLP  
191 West George Street  
Glasgow  
G2 2LJ

Tel +44 (0) 141 226 5511

FRIDAY



\*S4LK859K\*  
SCT 04/12/2015 #22  
COMPANIES HOUSE

When you have completed and signed this form, please send it to the Registrar of Companies at:-  
Companies House, 4<sup>th</sup> Floor, Edinburgh Quay 2, 139 Fountainbridge,  
Edinburgh, EH3 9FF  
DXED235 Edinburgh 1 / LP- 4 Edinburgh 2



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**John M Henderson &  
Co Limited & John M  
Henderson & Co  
(Holdings) Limited –  
both in  
Administration**

Joint Administrators' progress  
report for the period 24 April 2015  
to 23 October 2015

3 December 2015

# Notice to creditors

This progress report provides an update on the administrations of the Companies.

We have included (Appendix 2) an account of all amounts received and payments made since the date of our appointment.

We have also explained our future strategy for the administrations and how likely it is that we will be able to pay each class of creditor.

You will find other important information in this progress report such as the costs which we have incurred to date.

A glossary of the abbreviations used throughout this document is attached (Appendix 4).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following websites,

<http://www.insolvency-kpmg.co.uk/case+KPMG+JEA24E1422.html>

<http://www.insolvency-kpmg.co.uk/case+KPMG+JEA24E1531.html>

We hope this is helpful to you.

**Please also note that an important legal notice about this progress report is attached (Appendix 5).**



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# Contents

<b>1</b>	<b>Executive summary</b>	<b>3</b>
<b>2</b>	<b>Progress to date</b>	<b>4</b>
<b>3</b>	<b>Dividend prospects and dividends paid</b>	<b>5</b>
<b>4</b>	<b>Joint Administrators' remuneration, outlays and disbursements</b>	<b>6</b>
<b>5</b>	<b>Future strategy</b>	<b>6</b>
	<b>Statutory information</b>	<b>7</b>
<b>Appendix 1</b>	<b>Joint Administrators' receipts and payments account</b>	<b>9</b>
<b>Appendix 2</b>	<b>Joint Administrators' charging and disbursements policy</b>	<b>14</b>
<b>Appendix 3</b>	<b>Glossary</b>	<b>21</b>
<b>Appendix 4</b>	<b>Notice: About this report</b>	<b>22</b>



# 1 Executive summary

- This progress report covers the period from 24 April 2015 to 23 October 2015.
- We are continuing to pursue the outstanding book debts due to JMH. All known assets of Holdings have been realised. (Section 2 - Progress to date.)
- The Bank will receive payment of its indebtedness in full under its standard security in Holdings. (Section 3 - Dividend prospects.)
- We anticipate that the preferential creditors of JMH will receive payment of a dividend. We are not aware of any preferential creditors of Holdings. (Section 3 - Dividend prospects.)
- It appears that there will be sufficient funds available to allow payment of a dividend to the unsecured creditors of both JMH and Holdings. (Section 3 - Dividend prospects.)
- The creditors previously agreed a 12-month extension of the administrations to 23 October 2016. (Section 5 – Future strategy.)
- Please note: you should read this progress report in conjunction with our previous progress report and proposals which were issued to the Companies' creditors and can be found at;  
<http://www.insolvency-kpmg.co.uk/case+KPMG+JEA24E1422.html>  
<http://www.insolvency-kpmg.co.uk/case+KPMG+JEA24E1531.html>  
Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Geoffrey Jacobs  
Joint Administrator



## 2 Progress to date

This section updates you on our strategy for the administrations and on our progress to date. It follows the information provided in our previous progress report dated 4 June 2015.

### 2.1 Strategy and progress to date

#### Strategy

We are continuing to take the necessary steps to realise the remaining assets in JMH.

I would note that all known assets of Holdings have now been realised.

#### Debtors

We are continuing to pursue JMH's outstanding sales ledger balance.

You will recall that the majority of the sales ledger, which at the date of appointment amounted to £925,477, is subject to various contra balances, counter claims and disputes.

Our appointed debt collection agent, Blackadders LLP, has been vigorously pursuing the outstanding balances, however, due to the complexity of seeking to collect certain remaining overseas debts, it is unlikely that that any future material recoveries will be made.

#### Inter-company balances

You will recall that we had been pursuing a debt due to JMH by the ultimate parent company, Bellshelf (113) Limited ('Bellshelf'). We understand that Bellshelf acted solely as the parent company for the Group, holding shares in Holdings. As noted in our most recent progress report, Bellshelf does not possess any assets. Bellshelf is not, therefore, in a position to repay the outstanding debt and we do not propose to pursue this matter further.

There is also an inter-company loan debt due to JMH by Holdings in the sum of £535,699. This loan will rank as an unsecured claim in the administration of Holdings. Based on the information currently available, it appears that there will be funds available to make a distribution to the unsecured creditors of Holdings. Further information with regard to the dividend prospects for the unsecured creditors of Holdings is provided within Section 3 of this report.

### 2.2 Asset realisations

Realisations during the period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant realisations during the period are provided below.

As noted above, all known assets of Holdings have now been realised.

#### Debtors

£22,120 has been collected in this period, bringing total book debt collections to £84,146.

### 2.3 Costs

Payments made in this period are set out in the attached receipts and payments account (Appendix 2).



Summaries of the most significant payments made during the period are provided below.

- We have settled holding costs in the administration of JMH totalling £17,577 in relation to heat, light and IT costs.
- We have settled insurance costs of £7,962 following the sale of the Companies' assets - the costs for JMH were £2,091 and Holdings costs were £5,871, based upon the relevant premiums.
- We have paid legal fees to Blackadders totalling £3,308 in the administration of JMH.
- We have also paid £3,519 to Chartermarque Ltd – Pension and Benefit Consultants, with regard to the refund of premiums and charges paid by JMH, prior to the administration.

## **3 Dividend prospects and dividends paid**

### **3.1 Secured creditors**

There will be sufficient funds available in the administration of Holdings to enable the Bank's debt, together with accrued interest, to be repaid in full under its standard security. Accordingly, it does not appear that the Bank will require to make a claim under its bond and floating charge over the assets of JMH.

An interim distribution of £200,000 has been made to the Bank in the administration of Holdings under the Bank's standard security. We are in the process of making a final distribution to the Bank from Holdings.

### **3.2 Preferential creditors**

We estimate that the preferential creditors' claims in the administration of JMH amount to approximately £90,000.

Based on the information currently available, we anticipate that the preferential creditors of JMH will receive payment of a dividend. We are currently adjudicating upon the claims received and will provide creditors with an update on this process in due course.

We are not aware of any preferential creditors of Holdings.

### **3.3 Unsecured creditors**

It is anticipated that there may be sufficient funds available to allow payment of a dividend to the unsecured creditors of JMH. The quantum of the dividend payable will depend on the level of future asset realisations, the level of preferential claims received and accepted, the final costs of the administration process, and the level of unsecured claims received and accepted.

There will be sufficient funds available to allow payment of a dividend to the unsecured creditors of Holdings. The level of dividend payable will depend on the final costs of the administration process.

## **4 Joint Administrators' remuneration, outlays and disbursements**

### **4.1 Joint Administrators' remuneration, outlays and disbursements**

We are presently liaising with our legal agents regarding the administration fee approval process in Holdings and will write to creditors under separate cover with regard to the Administrators' fee approval process for both Holdings and JMH once the legal advice is finalised.

In the meantime, noted below are the time costs incurred in each case:-

Time costs

From 24 April 2015 to 23 October 2015, we have incurred time costs as follows;

JMH	£34,061	this represents 107.7 hours at an average rate of £316 per hour; and
Holdings	£19,003	this represents 52.9 hours at an average rate of £359 per hour.

Additional information

We have attached (Appendix 3) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by KPMG for the period from 24 April 2015 to 23 October 2015. We have also attached our charging and disbursements policy.

## **5 Future strategy**

### **5.1 Future conduct of the administrations**

We will continue to manage the affairs, business and the property of the Companies in order to achieve the purposes of the administrations. This will include, but not be limited to, realising the remaining assets, finalising the costs of the administration processes, adjudicating upon creditor claims and distributing funds, together with all other statutory and administrative matters.

### **5.2 Extension of the administrations**

The duration of an administration is restricted to 12 months from the date of commencement, unless it is extended with the permission of creditors or the Court.

The creditors previously agreed a 12 month extension of the administrations to 23 October 2016.

### **5.3 Future reporting**

We intend to provide a further progress report by 23 April 2016 or earlier if the administrations have been completed prior to that time. We will also write to you regarding the Administrators' fee requests.





## Statutory information

### Companies information

Companies name	John M Henderson & Co Limited
Date of incorporation	23 February 1924
Companies registration number	SC013034
Present registered office	37 Albyn Place, Aberdeen, AB10 1JB

### Administration information

Administration appointment	The administration appointment granted in Court of Session
Appointor	John M Henderson & Co Limited, Sir William Smith Road, Kirkton Industrial Estate, Arbroath, DD11 3RD
Date of appointment	24 October 2014
Joint Administrators' details	Geoff Jacobs and Blair Nimmo
Functions	The Functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2).
Current administration expiry date	23 October 2016



## Statutory information

### Companies information

Companies name	John M Henderson & Co (Holdings) Limited
Date of incorporation	27 October 1982
Companies registration number	SC080607
Present registered office	37 Albyn Place, Aberdeen, AB10 1JB

### Administration information

Administration appointment	The administration appointment granted in Court of Session
Appointor	John M Henderson & Co (Holdings) Limited, Sir William Smith Road, Kirkton Industrial Estate, Arbroath, DD11 3RD
Date of appointment	24 October 2014
Joint Administrators' details	Geoff Jacobs and Blair Nimmo
Functions	The Functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2).
Current administration expiry date	23 October 2016



## Appendix 1 Joint Administrators' receipts and payments account

### John M Henderson & Co Limited - in Administration

#### Trading accounts

Statement of Affairs (£)	From 24/04/2015 To 23/10/2015 (£)	From 24/10/2014 To 23/10/2015 (£)
<b>POST-APPOINTMENT SALES</b>		
Stock - work in progress	NIL	21,375.00
	NIL	21,375.00
<b>OTHER DIRECT COSTS</b>		
Sub contractors	NIL	(874.00)
	NIL	(874.00)
<b>TRADING EXPENSES</b>		
Sub contractors	NIL	(6,068.50)
Heat & light	(14,999.52)	(26,374.60)
Telephone/IT	(2,550.00)	(3,341.99)
Cleaning services	NIL	(525.80)
Hire of equipment	(27.60)	(1,461.60)
Repairs and maintenance	NIL	(33.33)
	(17,577.12)	(37,805.82)
<b>Trading surplus/(deficit)</b>	<b>(17,577.12)</b>	<b>(17,304.82)</b>



# John M Henderson & Co Limited - in Administration

## Abstract of receipts & payments

Statement of affairs (£)		From 24/04/2015 To 24/10/2015 (£)	From 24/10/2014 To 24/10/2015 (£)
<b>FIXED CHARGE ASSETS</b>			
846,932.00	Freehold property	NIL	NIL
		NIL	NIL
<b>FIXED CHARGE COSTS</b>			
	Security	1,357.70	(0.30)
		1,357.70	(0.30)
<b>FIXED CHARGE CREDITORS</b>			
(232,000.00)	Fixed charge creditor	NIL	NIL
		NIL	NIL
<b>ASSET REALISATIONS</b>			
146,374.00	Plant & machinery	NIL	360,550.00
54,141.00	Furniture & equipment	NIL	NIL
100,000.00	Stock	NIL	15,000.00
50,000.00	Stock - work in progress	NIL	NIL
951,845.00	Book debts	22,120.00	84,145.60
	Intellectual Property	NIL	72,000.00
55,943.00	Cash at bank	NIL	919.82
		22,120.00	532,615.42
<b>OTHER REALISATIONS</b>			
	Bank interest, gross	549.12	655.37
	Sundry refunds	NIL	17,867.83
	Trading surplus/(deficit)	(17,577.12)	(17,304.82)
	Petty Cash	NIL	208.41
	Scrap Metal	NIL	30,954.00
899,423.00	Loans and advances	NIL	NIL
315,961.00	Other assets	NIL	NIL
		(17,028.00)	32,380.79
<b>COST OF REALISATIONS</b>			
	Statement of affairs work	NIL	(750.00)
	Agents'/Valuers' fees	(3,519.00)	(24,111.70)
	Legal fees	(3,308.00)	(8,933.83)
	Storage costs etc (records)	NIL	(1,700.07)
	Re-direction of mail	NIL	(350.00)
	Statutory advertising	NIL	(195.36)
	Insurance of assets	(2,090.69)	(2,090.69)



# John M Henderson & Co Limited - in Administration

## Abstract of receipts & payments

Statement of affairs (£)		From 24/04/2015 To 24/10/2015 (£)	From 24/10/2014 To 24/10/2015 (£)
	Wages & salaries	NIL	(12,727.46)
	Bank charges	NIL	(460.00)
		(8,917.69)	(51,319.11)
	PREFERENTIAL CREDITORS		
(322,300.00)	Employees' wage arrears	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(2,612,516.00)	Trade & expense	NIL	NIL
(2,600,000.00)	Other liabilities	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(150,000.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
<b>(2,496,197.00)</b>		<b>(2,467.99)</b>	<b>513,676.80</b>
	REPRESENTED BY		
	Floating ch. VAT rec'able		790.20
	Floating charge current		513,914.56
	Floating ch. VAT payable		(110.00)
	EP(C)A monies held		(243.37)
	Aegon		(674.59)
			<b>513,676.80</b>



**John M Henderson & Co (Holdings) Limited - in Administration**
**Abstract of receipts & payments**

Statement of affairs (£)		From 24/04/2015 To 23/10/2015 (£)	From 24/10/2014 To 23/10/2015 (£)
<b>FIXED CHARGE ASSETS</b>			
520,000.00	Freehold property	NIL	500,000.00
		NIL	500,000.00
<b>FIXED CHARGE COSTS</b>			
	Legal fees	149.00	(4,348.00)
	Agents'/Valuers' fees	NIL	(4,045.00)
	Security	(1,516.69)	(8,176.29)
		(1,367.69)	(16,569.29)
<b>FIXED CHARGE CREDITORS</b>			
(232,000.00)	Fixed charge creditor	NIL	(200,000.00)
		NIL	(200,000.00)
<b>ASSET REALISATIONS</b>			
500,619.00	Shares and investments	NIL	NIL
600.00	Cash at bank	NIL	NIL
		NIL	NIL
<b>OTHER REALISATIONS</b>			
	Bank interest, gross	354.97	588.39
		354.97	588.39
<b>COST OF REALISATIONS</b>			
	Legal fees	NIL	(2,760.00)
	Statutory advertising	(84.60)	(84.60)
	Insurance of assets	(5,871.02)	(5,871.02)
	Bank charges	NIL	(20.00)
		(5,955.62)	(8,735.62)
<b>UNSECURED CREDITORS</b>			
(515,088.00)	Trade & expense	NIL	NIL
		NIL	NIL
<b>DISTRIBUTIONS</b>			
(30,900.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
<b>243,231.00</b>		<b>(6,968.34)</b>	<b>275,283.48</b>
<b>REPRESENTED BY</b>			
	Floating ch. VAT rec'able		16.92
	Floating charge current		274,803.08
	Floating ch. VAT control		463.48



**John M Henderson & Co (Holdings) Limited - in Administration****Abstract of receipts & payments**

	From 24/04/2015 To 23/10/2015 (£)	From 24/10/2014 To 23/10/2015 (£)
Statement of affairs (£)		<b>275,283.48</b>



## Appendix 2 Joint Administrators' charging and disbursements policy

### Joint Administrators' charging policy

The time charged to the administrations is by reference to the time properly given by us and our staff in attending to matters arising in the administrations. This includes work undertaken in respect of tax, VAT, employee, pensions and health and safety advice from KPMG in-house specialists.

Our policy is to delegate tasks in the administrations to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Administrators' Remuneration Scotland" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

[https://www.r3.org.uk/media/documents/technical\\_library/SIPS/Creditors' Guide to Administrators' Remuneration Scotland.pdf](https://www.r3.org.uk/media/documents/technical_library/SIPS/Creditors'_Guide_to_Administrators'_Remuneration_Scotland.pdf)

If you are unable to access this guide and would like a copy, please contact Suzanne Hamilton on 01224 416895.

### Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on the administrations. Time is charged by reference to actual work carried out on the administrations, using a minimum time unit of six minutes.

All staff who have worked on the administrations, including cashiers and secretarial staff, have charged time directly to the administrations and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administrations but is reflected in the general level of charge-out rates.

### Charge-out rates

Charge-out rates (£) for: CRS		
Grade	From 01 Oct 2014 £/hr	From 01 Oct 2015 £/hr
Partner	595	595
Director	535	535
Senior Manager	485	485
Manager	405	405
Senior Administrator	280	280
Administrator	205	205
Support	125	125

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the administrations. In our next statutory report, we will inform creditors of any material amendments to these rates.





#### Policy for the recovery of disbursements

Where funds permit the officeholders will seek to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

*Category 1 disbursements:* These are costs where there is specific expenditure directly referable to both the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

*Category 2 disbursements:* These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements charged by KPMG Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile.
- Use of Companies car – 60p per mile.
- Use of partner's car – 60p per mile.

For all of the above car types, when carrying KPMG passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have the authority to pay Category 1 disbursements without the need for any prior approval from the creditors of the Companies.

The Category 2 disbursements have not been approved.



John M Henderson & Co Limited – In Administration

Narrative of work carried out for the period 24 April 2015 to 23 October 2015

The key areas of work have been:

Statutory and compliance	<ul style="list-style-type: none"><li>■ preparing statutory receipts and payments accounts;</li><li>■ obtaining approval from creditors of a 12 month extension of the administration;</li><li>■ ensuring compliance with all statutory obligations within the relevant timescales.</li></ul>
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"><li>■ monitoring and reviewing the administration strategy;</li><li>■ reviewing and authorising junior staff correspondence and other work;</li><li>■ allocating and managing staff/case resourcing and budgeting exercises and reviews;</li><li>■ complying with internal filing and information recording practices, including documenting strategy decisions.</li></ul>
Reports to secured creditors	<ul style="list-style-type: none"><li>■ providing written and oral updates to representatives of the Bank regarding the progress of the administration and case strategy.</li></ul>
Cashiering	<ul style="list-style-type: none"><li>■ preparing and processing vouchers for the payment of post-appointment invoices;</li><li>■ creating remittances and sending payments to settle post-appointment invoices;</li><li>■ reconciling post-appointment bank accounts to internal systems;</li><li>■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.</li></ul>
Tax	<ul style="list-style-type: none"><li>■ dealing with post appointment tax and VAT compliance.</li></ul>
General	<ul style="list-style-type: none"><li>■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9;</li><li>■ dealing with the ongoing storage of the Company's books and records.</li></ul>
Trading	<ul style="list-style-type: none"><li>■ finalising holding costs.</li></ul>
Asset realisations	<ul style="list-style-type: none"><li>■ liaising with our legal agents regarding debtor recoveries;</li><li>■ reviewing the inter-company debtor position between the Companies and other group companies.</li></ul>
Employees	<ul style="list-style-type: none"><li>■ dealing with queries from employees regarding various matters relating to the administration and their employment;</li><li>■ reviewing claims from employees.</li></ul>
Pensions	<ul style="list-style-type: none"><li>■ reviewing (including related correspondence) pre appointment pension scheme.</li></ul>
Creditors and claims	<ul style="list-style-type: none"><li>■ responding to enquiries from creditors regarding the administration and submission of their claims;</li><li>■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records;</li><li>■ agreeing preferential claims;</li><li>■ drafting our progress report.</li></ul>

Time costs - John M Henderson & Co Limited

**SIP 9 – Time costs analysis (24/04/2015 to 23/10/2015)**

	Hours					Time Cost (£)	Average Hourly Rate (£)	
	Partner / Director	Manager	Administrator	Support	Total			
<b>Administration &amp; planning</b>								
Cashiering								
Fund management	0.60				<b>0.60</b>	321.00	535.00	
General (Cashiering)				1.80	<b>1.80</b>	421.50	234.17	
Reconciliations (& IPS accounting reviews)				0.20	<b>0.20</b>	56.00	280.00	
General								
Books and records				0.40	1.00	<b>1.40</b>	237.00	169.29
Fees and WIP		1.20			<b>1.20</b>	486.00	405.00	
Statutory and compliance								
Appointment and related formalities	0.10	2.70		7.00	<b>9.80</b>	3,107.00	317.04	
Checklist & reviews	1.30	1.60		3.50	<b>6.40</b>	2,323.50	363.05	
Strategy documents	0.40				<b>0.40</b>	214.00	535.00	
Tax								
Post appointment corporation tax		0.60		0.40	<b>1.00</b>	325.00	325.00	
Post appointment VAT		0.60		1.10	<b>1.70</b>	513.50	302.06	
<b>Creditors</b>								
Creditors and claims								
Agreement of claims				2.00	<b>2.00</b>	530.00	265.00	
General correspondence		0.90		9.90	2.00	<b>12.80</b>	3,169.00	247.58
Secured creditors		0.70		2.70		<b>3.40</b>	1,039.50	305.74
Statutory reports	2.60	7.10		9.00	3.50	<b>22.20</b>	7,224.00	325.41
Employees								
Agreeing employee claims				1.00	<b>1.00</b>	280.00	280.00	
Correspondence				2.70	<b>2.70</b>	718.50	266.11	
Pensions reviews		3.80		14.50	<b>18.30</b>	5,599.00	305.96	
<b>Investigation</b>								
Investigations								
Correspondence re investigations		1.20			<b>1.20</b>	486.00	405.00	



**SIP 9 – Time costs analysis (24/04/2015 to 23/10/2015)**

	Hours					Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support	Total		
Realisation of assets							
Asset Realisation							
Cash and investments				0.10	0.10	28.00	280.00
Debtors		12.30		2.30	14.60	5,528.00	378.63
Trading							
Purchases and trading costs		1.50		3.40	4.90	1,454.50	296.84
Total in period	5.00	34.20	62.00	6.50	107.70	34,061.00	316.26

John M Henderson & Co (Holdings) Limited

Narrative of work carried out for the period 24 April 2015 to 23 October 2015

The key areas of work have been:

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Statutory and ■ preparing statutory receipts and payments accounts;

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compliance	<ul style="list-style-type: none"> <li>■ obtaining approval from creditors of a 12 month extension of the administration;</li> <li>■ ensuring compliance with all statutory obligations within the relevant timescales.</li> </ul>
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> <li>■ reviewing and monitoring the administration strategy;</li> <li>■ reviewing and authorising junior staff correspondence and other work;</li> <li>■ allocating and managing staff/case resourcing and budgeting exercises and reviews;</li> <li>■ complying with internal filing and information recording practices, including documenting strategy decisions.</li> </ul>
Reports to secured creditors	<ul style="list-style-type: none"> <li>■ providing written and oral updates to representatives of the Bank regarding the progress of the administration and case strategy.</li> </ul>
Cashiering	<ul style="list-style-type: none"> <li>■ preparing and processing vouchers for the payment of post-appointment invoices;</li> <li>■ creating remittances and sending payments to settle post-appointment invoices;</li> <li>■ reconciling post-appointment bank accounts to internal systems;</li> <li>■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.</li> </ul>
Tax	<ul style="list-style-type: none"> <li>■ dealing with post appointment VAT compliance.</li> </ul>
General	<ul style="list-style-type: none"> <li>■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9;</li> <li>■ consulting legal agents with regard to agreeing the Joint Administrators' basis of remuneration and the appropriate remuneration approval process.</li> </ul>
Asset realisations	<ul style="list-style-type: none"> <li>■ finalising matters with regard to the sale of the Property.</li> </ul>
Creditors and claims	<ul style="list-style-type: none"> <li>■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records;</li> <li>■ drafting our progress report.</li> </ul>

Time costs – John M Henderson & Co (Holdings) Limited



**SIP 9 – Time costs analysis (24/04/2015 to 23/10/2015)**

	Hours					Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support	Total		
<b>Administration &amp; planning</b>							
Cashiering							
General (Cashiering)			2.10		<b>2.10</b>	588.00	280.00
Reconciliations (& IPS accounting reviews)			0.20		<b>0.20</b>	56.00	280.00
General							
Books and records			0.30		<b>0.30</b>	61.50	205.00
Fees and WIP		2.90	1.00		<b>3.90</b>	1,454.50	372.95
Statutory and compliance							
Appointment and related formalities	0.10	2.60	5.70		<b>8.40</b>	2,702.50	321.73
Checklist & reviews	1.60	2.00	2.90		<b>6.50</b>	2,478.00	381.23
Closure and related formalities			0.40		<b>0.40</b>	82.00	205.00
Strategy documents	0.40				<b>0.40</b>	214.00	535.00
Tax							
Post appointment VAT	0.40	1.90	1.00		<b>3.30</b>	1,263.50	382.88
<b>Creditors</b>							
Creditors and claims							
General correspondence	1.00	2.00			<b>3.00</b>	1,345.00	448.33
Secured creditors		1.90	2.70		<b>4.60</b>	1,525.50	331.63
Statutory reports	2.60	7.10	9.00		<b>18.70</b>	6,786.50	362.91
<b>Investigation</b>							
Investigations							
Correspondence re investigations		0.40			<b>0.40</b>	162.00	405.00
<b>Realisation of assets</b>							
Asset Realisation							
Freehold property		0.70			<b>0.70</b>	283.50	405.00
<b>Total in period</b>	<b>6.10</b>	<b>21.50</b>	<b>25.30</b>	<b>0.00</b>	<b>52.90</b>	<b>19,002.50</b>	<b>359.22</b>

All staff who have worked on these assignments, including cashiers and secretarial staff, have charged time directly to the assignments and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignments but is reflected in the general level of charge out rates.

All time shown in the above analysis is charged in units of six minutes.



## Appendix 3      Glossary

<b>Bank / secured creditor</b>	HSBC Bank plc
<b>Companies / the Group</b>	John M Henderson & Co Limited and John M Henderson & Co (Holdings) Limited - both in Administration
<b>Joint Administrators/we/our/us</b>	Geoff Jacobs and Blair Nimmo
<b>KPMG</b>	KPMG LLP
<b>Blackadders/legal agents</b>	Blackadders LLP
<b>JMH</b>	John M Henderson & Co Limited
<b>Holdings</b>	John M Henderson & Co (Holdings) Limited

Any references in this progress report to sections, paragraphs or rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency (Scotland) Rules 1986 respectively.



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## Appendix 4      Notice: About this report

This report has been prepared by Geoffrey Jacobs and Blair Nimmo, the Joint Administrators of John M Henderson & Co Limited and John M Henderson & Co (Holdings) Limited – both in Administration (the 'Companies'), solely to comply with their statutory duty to report to creditors under the Insolvency (Scotland) Rules 1986 on the progress of the administrations, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Companies.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (Scotland) Rules 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Geoffrey Isaac Jacobs and Blair Carnegie Nimmo are authorised to act as insolvency practitioners by the Institute of Chartered Accountants of Scotland.

We are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Companies and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administrations.





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